

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2025

## <under Japanese GAAP>

May 13, 2025

Company name : NIKKO COMPANY  
 ID number : 5343 Stock listing : Nagoya Stock Exchange Main Market  
 URL : <https://www.nikko-company.co.jp/>  
 Representative : Akiko Mitani, Chief Executive Officer  
 Contact : Kazuya Nunokawa, Managing Officer (Phone: +81-76-276-2121)  
 Scheduled date of general meeting of shareholders : June 27, 2025  
 Scheduled date to submit Securities Report : June 30, 2025  
 Scheduled date to begin dividend payments : -  
 Preparation of supplementary materials for financial results : None  
 Holding of financial results meeting : None

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Consolidated operating results (Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended Mar. 31, 2025	15,068	2.4	367	148.8	361	91.7	289	99.4
FY ended Mar. 31, 2024	14,719	5.2	147	-	188	-	145	-

Note: Comprehensive income (Millions of yen) : Mar. 31, 2025 : 309 (88.4%) Mar. 31, 2024 : 164 (-%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
FY ended Mar. 31, 2025	10.93	-	23.1	3.8	2.4
FY ended Mar. 31, 2024	6.22	-	22.9	2.1	1.0

Reference: Equity in earnings of affiliates (Millions of yen) : Mar. 31, 2025 : (2) Mar. 31, 2024 : 3

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2025	9,687	1,785	18.4	61.61
As of Mar. 31, 2024	9,119	716	7.9	30.74

Reference: Shareholders' equity (Millions of yen) : Mar. 31, 2025: 1,785 Mar. 31, 2024: 716

(3) Consolidated cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investment activities	Financing activities	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY ended Mar. 31, 2025	599	(247)	121	1,456
FY ended Mar. 31, 2024	643	(475)	(234)	983

### 2. Dividends

(Record date)	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Dividend on Equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended Mar. 31, 2024	-	0.00	-	0.00	0.00	-	-	-
Year ended Mar. 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Year ending Mar. 31, 2026 (forecast)	-	0.00	-	0.00	0.00		-	

### 3. Projected Consolidated Results for FY2026 (April 1, 2025 to March 31, 2026)

Based on our awareness that “a company is a public entity of society,” one of our important management goals is to be a company that aims to create a society that prioritizes business operations based on a long-term perspective instead of short-term profit. Accordingly, we embrace the philosophy of public interest capitalism which is a concept that suggests that a company should deliver profits to its shareholders as a result of enhancing the company value by contributing to all people and organizations with the same interests including its employees, customers, suppliers, local communities, and the Earth.

Concerns have been raised that, due to the nature of the relevant systems, programs, and rules (business customs), the disclosure of quarterly financial results and/or projected results may have multiple adverse effects. This includes the occurrence of an excessive focus on short-term financial results and immediate stock price fluctuations and the narrowing of the investors’ speculative view when making investment decisions.

This in turn hinders R&D investments, equipment investments, and employee development activities by a company based on a long-term perspective, and results in a company’s negligence of its roles as a public entity, i.e., negligence of social contribution activities such as sharing the company’s profits with employees, customers, business partners, and local communities.

As an attempt to address these concerns, a proposal to abolish the projected results form in financial briefs was presented in the Future Investment Strategy 2017 (Cabinet Office, Government of Japan). This proposal was adopted in February 2017.

Taking these viewpoints into consideration, while the Nikko Group has been disclosing projected consolidated results for each fiscal year up to FY2017, the Group recognizes the purpose and the significance of the revision made by the Japanese Government in February 2017 and has decided to embrace the revision starting from FY2018, from which the Group has stopped disclosing its projected consolidated results.

#### ※Notes

(1) Significant changes in the scope of consolidation during the ended March 31, 2025 : None

(2) Changes in accounting policies, changes in accounting estimates, or restatement

1) Changes in accounting policies due to changes in consolidated accounting methods : Yes

2) Changes other than 1) above : None

3) Changes in accounting estimates : None

4) Restatement : None

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding (including treasury stock) at the end of the period

Mar. 31, 2025 : 29,842,000 shares Mar. 31, 2024 : 24,172,000 shares

2) Number of treasury stock at the end of the period

Mar. 31, 2025 : 865,040 shares Mar. 31, 2024 : 864,826 shares

3) Average number of shares over period

Mar. 31, 2025 : 26,460,529 shares Mar. 31, 2024 : 23,307,220 shares

#### (Reference) Non-consolidated financial results

##### Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Non-consolidated operating results (Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended Mar. 31, 2025	14,903	2.9	322	573.2	317	261.5	243	542.0
FY ended Mar. 31, 2024	14,484	5.0	47	-	87	-	37	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY ended Mar. 31, 2025	9.18	-
FY ended Mar. 31, 2024	1.62	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2025	11,096	1,381	12.5	47.68
As of Mar. 31, 2024	10,512	378	3.6	16.23

Reference: Shareholders' equity (Millions of yen) : Mar.31, 2025: 1,381 Mar.31, 2024: 378

Consolidated Financial Statements

(1) Consolidated Balance Sheet

	FY03/2024 (As of Mar.31,2024)	(Millions of yen) FY03/2025 (As of Mar.31,2025)
<b>Assets</b>		
Current assets		
Cash and deposits	1,024	1,497
Notes and accounts receivable - trade, and contract assets	2,298	2,400
Merchandise and finished goods	1,396	1,394
Work in process	612	579
Costs on uncompleted construction contracts	388	363
Raw materials and supplies	497	481
Other	70	77
Allowance for doubtful accounts	(6)	(6)
Total current assets	6,280	6,787
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	6,941	6,999
Accumulated depreciation	(5,748)	(5,878)
Buildings and structures, net	1,193	1,121
Machinery, equipment and vehicles	4,553	4,567
Accumulated depreciation	(4,128)	(4,196)
Machinery, equipment and vehicles, net	425	370
Tools, furniture and fixtures	1,233	1,209
Accumulated depreciation	(1,170)	(1,146)
Tools, furniture and fixtures, net	63	63
Land	702	702
Lease assets	158	223
Accumulated depreciation	(70)	(91)
Lease assets, net	88	131
Construction in progress	16	68
Total property, plant and equipment	2,488	2,457
Intangible assets	110	145
Investments and other assets		
Investment securities	113	162
Other	129	135
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	240	295
Total noncurrent assets	2,839	2,899
Total assets	9,119	9,687
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	2,796	2,734
Short-term loans payable	2,000	1,600
Current portion of bonds payable	40	20
Current portion of long-term loans payable	124	110
Lease obligations	64	72
Income taxes payable	51	98
Contract liabilities	762	814
Provision for bonuses	88	174
Provision for product warranties	52	47
Other	664	568
Total current liabilities	6,644	6,239
Noncurrent liabilities		
Bonds payable	20	—
Long-term loans payable	170	60
Lease obligations	97	159
Deferred tax liabilities	3	2
Provision for directors' retirement benefits	84	96
Net defined benefit liability	1,268	1,220
Other	114	123
Total noncurrent liabilities	1,759	1,662
Total liabilities	8,403	7,901
<b>Net assets</b>		
Shareholders' equity		
Capital stock	3,470	3,850
Capital surplus	1,584	1,964
Retained earnings	(3,942)	(3,653)
Treasury stock	(338)	(338)
Total shareholders' equity	773	1,822
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	2
Foreign currency translation adjustment	(57)	(54)
Remeasurements of defined benefit plans	(1)	14
Total accumulated other comprehensive income	(57)	(37)
Total net assets	716	1,785
Total liabilities and net assets	9,119	9,687

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

	FY03/2024 (Apr.1, 2023-Mar.31,2024)	(Millions of yen) FY03/2025 (Apr.1, 2024-Mar.31,2025)
Net sales	14,719	15,068
Cost of sales	10,368	10,393
Gross profit	4,350	4,675
Selling, general and administrative expenses	4,202	4,308
Operating profit	147	367
Non-operating income		
Interest income	0	0
Share of profit of entities accounted for using equity method	3	—
Rent income	10	10
Foreign exchange gains	31	8
Compensation income	—	4
Other	35	17
Total non-operating income	81	42
Non-operating expenses		
Interest expenses	21	21
Loss on sales of notes payable	6	5
Loss on transfer of accounts receivable	6	8
Share of loss of entities accounted for using equity method	—	2
Stock issuance cost	—	6
Other	6	4
Total non-operating expenses	40	48
Ordinary profit	188	361
Extraordinary Income		
Gain on sales of noncurrent assets	1	0
Total extraordinary Income	1	0
Extraordinary losses		
Loss on retirement of noncurrent assets	11	3
Loss on valuation of investment securities	12	7
Total extraordinary losses	23	10
Profit before income taxes	166	351
Income taxes-current	22	62
Income taxes-deferred	(0)	(0)
Total income taxes	21	62
Profit	145	289
Profit attributable to owners of parent	145	289

Consolidated statements of comprehensive income

	FY03/2024 (Apr.1, 2023-Mar.31,2024)	(Millions of yen) FY03/2025 (Apr.1, 2024-Mar.31,2025)
Profit	145	289
Other comprehensive income		
Valuation difference on available-for-sale securities	0	0
Foreign currency translation adjustment	22	(4)
Remeasurements of defined benefit plans, net of tax	(11)	15
Share of other comprehensive income of entities accounted for using equity method	7	7
Other comprehensive income	19	19
Comprehensive income	164	309
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	164	309
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of changes in equity

FY03/2024 (Apr.1, 2023-Mar. 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	3,470	1,584	(4,087)	(338)	628
Changes of items during the period					
Profit (loss) attributable to owners of parent			145		145
Purchase of treasury stock				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	145	(0)	145
Balance at the end of current period	3,470	1,584	(3,942)	(338)	773

  

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income	
Balance at the beginning of current period	0	(87)	10	(76)	552
Changes of items during the period					
Profit (loss) attributable to owners of parent					145
Purchase of treasury stock					(0)
Net changes of items other than shareholders' equity	0	29	(11)	19	19
Total changes of items during the period	0	29	(11)	19	164
Balance at the end of current period	1	(57)	(1)	(57)	716

FY03/2025 (Apr.1, 2024-Mar. 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	3,470	1,584	(3,942)	(338)	773
Changes of items during the period					
Issuance of new shares	380	379			759
Profit (loss) attributable to owners of parent			289		289
Purchase of treasury stock				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during the period	380	379	289	(0)	1,048
Balance at the end of current period	3,850	1,964	(3,653)	(338)	1,822

  

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income	
Balance at the beginning of current period	1	(57)	(1)	(57)	716
Changes of items during the period					
Issuance of new shares					759
Profit (loss) attributable to owners of parent					289
Purchase of treasury stock					(0)
Net changes of items other than shareholders' equity	0	3	15	19	19
Total changes of items during the period	0	3	15	19	1,068
Balance at the end of current period	2	(54)	14	(37)	1,785

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	FY03/2024 (Apr.1, 2023-Mar.31,2024)	FY03/2025 (Apr.1, 2024-Mar.31,2025)
Net cash provided by (used in) operating activities		
Profit before income taxes	166	351
Depreciation and amortization	406	378
Increase (decrease) in allowance for doubtful accounts	0	(0)
Increase (decrease) in provision for bonuses	(125)	85
Increase (decrease) in net defined benefit liability	(26)	(32)
Increase (decrease) in provision for product warranties	(4)	(5)
Interest and dividends income	(0)	(0)
Interest expenses	21	21
Foreign exchange losses (gains)	(3)	—
Share of profit of entities accounted for using equity method	(3)	2
Subsidy income	—	(0)
Compensation income	—	(4)
Loss (gain) on valuation of investment securities	12	7
Loss (gain) on sales of non-current assets	(1)	(0)
Loss on retirement of noncurrent assets	11	3
Decrease (increase) in notes and accounts receivable-trade	59	(103)
Decrease (increase) in inventories	(27)	75
Increase (decrease) in notes and accounts payable-trade	(195)	(62)
Other, net	382	(71)
Subtotal	673	643
Interest and dividends income received	0	0
Interest expenses paid	(21)	(21)
Income taxes paid	(9)	(28)
Proceeds from subsidy income	—	0
Proceeds from compensation	—	4
Net cash provided by (used in) operating activities	643	599
Net cash provided by (used in) investment activities		
Payments into time deposits	(0)	(0)
Proceeds from withdrawal of time deposits	1	—
Purchase of property, plant and equipment	(452)	(179)
Proceeds from sales of property, plant and equipment	6	—
Purchase of investment securities	—	(49)
Other, net	(30)	(18)
Net cash provided by (used in) investment activities	(475)	(247)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(50)	(400)
Repayment of long-term loans payable	(95)	(124)
Redemption of bonds	(40)	(40)
Proceeds from sales and leasebacks	24	—
Repayments of lease obligations	(73)	(67)
Proceeds from issuance of common stock	—	753
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(234)	121
Effect of exchange rate change on cash and cash equivalents	5	(1)
Net increase (decrease) in cash and cash equivalents	(61)	473
Cash and cash equivalents at beginning of period	1,044	983
Cash and cash equivalents at end of period	983	1,456

## [Consolidated Segment Information]

### 1. Overview of reportable segments

Segments used for financial reporting are the Nikko Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Group has established business divisions that comprise of the company and its subsidiaries and affiliates, and each division conducts business in line with the comprehensive strategies they have devised for products, merchandise and services in both domestic and overseas markets.

Therefore, the Group consists of segments by products, merchandise and services on the basis of the business divisions, and the "Housing & Environmental equipment", "Functional Ceramics Product" and "Tabletop" are three reportable segments.

Industry Segment	Major Products
Housing & Environmental Equipment	Septic tanks, Garbage disposal systems, System baths, Other FRP items, Water treatment facilities
Functional Ceramics Product	Alumina substrates, LTCC substrates, Dielectric ceramics
Tabletop	Fine bone china, Fine vitrified china, Fine porcelain, Oven ware

### 2. Information related to net sales and profit or loss for each reportable segment

FY03/2024(Apr. 1, 2023 - Mar. 31, 2024)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	Tabletop	Other (Note 1)	Segment total	Adjustment (Note2)	Amounts on the consolidated statements of income (Note3)
Net sales							
Goods and services transferred at a point in time	2,059	2,400	2,102	3	6,565	-	6,565
Goods and services transferred over time (Note 4)	8,153	-	-	-	8,153	-	8,153
Revenue from contracts with customers	10,213	2,400	2,102	3	14,719	-	14,719
Other revenue (Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	10,213	2,400	2,102	3	14,719	-	14,719
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	10,213	2,400	2,102	3	14,719	-	14,719
Segment profit (loss) (Operating profit (loss))	614	166	168	(5)	944	(796)	147
Segment assets	3,463	2,109	2,115	4	7,693	1,426	9,119
Other Items							
Depreciation and Amortization	144	143	77	0	366	39	406
Investment to affiliates accounted for by the equity method	-	-	91	-	91	-	91
Increase in Property, plant and equipment and Intangible assets	119	165	49	-	334	20	354

Note:1. The category "Other" is new business which is a business segment not included in the reportable segments.

Note:2. Below is a description of adjustments.

- (1) Segment profit adjustment of (796) million yen consists of expenses related to departments that do not belong to the reportable segments.
- (2) Segment assets adjustment of 1,426 million yen includes assets that do not belong to the reportable segments. The assets consists of mainly surplus funds (cash and cash equivalents), long-term investment funds (investment securities).
- (3) Depreciation and Amortization adjustment of 39 million yen consists of Depreciation and Amortization related to departments that do not belong to the reportable segments.
- (4) Increase in Property, plant and equipment and Intangible assets adjustment of 20 million yen consists of capital investments associated with departments that do not belong to the reportable segments.

Note:3. Segment profit and losses are adjusted with Operating income on the consolidated statements of income.

Note:4. Goods and services transferred over time in the Housing Environment Equipment Business include goods and services that were applied alternative treatments and were then recognized as revenue when performance obligations were fully satisfied.

Note:5. Other revenue is income based on accounting standards for leasing transactions.

FY03/2025(Apr. 1, 2024 - Mar. 31, 2025)

(Millions of yen, rounded down)

	Housing & Environmental Equipment	Functional Ceramics Product	Tabletop	Other (Note 1)	Segment total	Adjustment (Note2)	Amounts on the consolidated statements of income (Note3)
Net sales							
Goods and services transferred at a point in time	2,013	2,749	1,614	7	6,385	-	6,385
Goods and services transferred over time (Note 4)	8,683	-	-	-	8,683	-	8,683
Revenue from contracts with customers	10,696	2,749	1,614	7	15,068	-	15,068
Other revenue (Note 5)	-	-	0	-	0	-	0
Sales to Outside Customers	10,696	2,749	1,614	7	15,068	-	15,068
Intersegment sales or Transfers	-	-	-	-	-	-	-
Total	10,696	2,749	1,614	7	15,068	-	15,068
Segment profit (loss) (Operating profit (loss))	979	234	8	(5)	1,216	(848)	367
Segment assets	3,496	2,137	2,181	20	7,835	1,851	9,687
Other Items							
Depreciation and Amortization	112	153	73	1	341	37	378
Investment to affiliates accounted for by the equity method	-	-	96	-	96	-	96
Increase in Property, plant and equipment and Intangible assets	55	103	111	15	286	92	379

Note:1. The category "Other" is new business which is a business segment not included in the reportable segments.

Note:2. Below is a description of adjustments.

- (1) Segment profit adjustment of (848) million yen consists of expenses related to departments that do not belong to the reportable segments.
- (2) Segment assets adjustment of 1,851 million yen includes assets that do not belong to the reportable segments. The assets consists of mainly surplus funds (cash and cash equivalents), long-term investment funds (investment securities).
- (3) Depreciation and Amortization adjustment of 37 million yen consists of Depreciation and Amortization related to departments that do not belong to the reportable segments.
- (4) Increase in Property, plant and equipment and Intangible assets adjustment of 92 million yen consists of capital investments associated with departments that do not belong to the reportable segments.

Note:3. Segment profit and losses are adjusted with Operating income on the consolidated statements of income.

Note:4. Goods and services transferred over time in the Housing Environment Equipment Business include goods and services that were applied alternative treatments and were then recognized as revenue when performance obligations were fully satisfied.

Note:5. Other revenue is income based on accounting standards for leasing transactions.